



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
[www.uspto.gov](http://www.uspto.gov)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/470,580	12/22/1999	STEVEN B. SOLOMON	067251.0104	6336
7590	10/09/2003		EXAMINER	
BAKER & BOTTS LLP 2001 ROSS AVENUE DALLAS, TX 752012980			MYHRE, JAMES W	
			ART UNIT	PAPER NUMBER
			3622	

DATE MAILED: 10/09/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No. <b>09/470,580</b>	Applicant(s) <b>Solomon et al</b>
Examiner <b>James W. Myhre</b>	Art Unit <b>3622</b>

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1)  Responsive to communication(s) filed on Aug 13, 2003.
- 2a)  This action is FINAL.      2b)  This action is non-final.
- 3)  Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

### Disposition of Claims

- 4)  Claim(s) 1-38 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5)  Claim(s) \_\_\_\_\_ is/are allowed.
- 6)  Claim(s) 1-38 is/are rejected.
- 7)  Claim(s) \_\_\_\_\_ is/are objected to.
- 8)  Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9)  The specification is objected to by the Examiner.
- 10)  The drawing(s) filed on \_\_\_\_\_ is/are a)  accepted or b)  objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11)  The proposed drawing correction filed on \_\_\_\_\_ is: a)  approved b)  disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12)  The oath or declaration is objected to by the Examiner.

### Priority under 35 U.S.C. §§ 119 and 120

- 13)  Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a)  All b)  Some\* c)  None of:
1.  Certified copies of the priority documents have been received.
  2.  Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3.  Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \*See the attached detailed Office action for a list of the certified copies not received.
- 14)  Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).
- a)  The translation of the foreign language provisional application has been received.
- 15)  Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

### Attachment(s)

- 1)  Notice of References Cited (PTO-892)      4)  Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2)  Notice of Draftsperson's Patent Drawing Review (PTO-948)      5)  Notice of Informal Patent Application (PTO-152)
- 3)  Information Disclosure Statement(s) (PTO-1449) Paper No(s). \_\_\_\_\_      6)  Other: \_\_\_\_\_

Art Unit: 3622

## **DETAILED ACTION**

### *Response to Amendment*

1. The Response filed on August 13, 2003 under 37 CFR 1.111 has been considered but is ineffective to overcome the Small (5,791,991) and Walker et al (6,330,544) references.

### *Claim Rejections - 35 USC § 101*

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-20 and 31-38 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 1-20 and 31-38 have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. For instance, in Claim 11 the steps of receiving authorization of a rebate request, displaying rebate information comprising at least two disbursement options, and receiving a selection of the disbursement option could all be performed manually by a person, such as a sales clerk, opening an envelope containing the authorization, placing a placard with the disbursement option for the rebate on the sales counter, and verbally receiving the consumer's selection of an option from the consumer. Therefore, the claim is directed towards non-statutory subject matter. The other claims above are similarly rejected. To

Art Unit: 3622

overcome this rejection the Examiner recommends the Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as “receiving authorization over a computer network of a rebate request”. Likewise, in independent Claim 31, the steps of communicating the purchase information and receiving the rebate information should utilize a computer network. The Applicant may also wish to identify any of the other steps which are being performed by the computer and not by the sales clerk.

***Double Patenting***

4. Claims 1-38 of this application conflict with claims 1-32 of Application No. 09/470, 588. 37 CFR 1.78(b) provides that when two or more applications filed by the same applicant contain conflicting claims, elimination of such claims from all but one application may be required in the absence of good and sufficient reason for their retention during pendency in more than one application. Applicant is required to either cancel the conflicting claims from all but one application or maintain a clear line of demarcation between the applications. See MPEP § 822.

Both applications pertain to processing a rebate either as a cash rebate or as a credit voucher rebate. Both applications contain claims which are directed to processing the credit voucher during a subsequent purchase by the consumer using the same steps. Although the two applications contain slightly different terminology and/or semantics, the steps involved in each application to process the claimed rebates are the same. For example, Claim 31 of Application 09/470,588 is a method which includes the steps of Claims 1, 5, 6, and 31: (a) identifying a

Art Unit: 3622

product bearing a rebate based on input received from a user; (b) receiving consumer information from the user, the consumer information identifying a purchase of a product; (c) communicating the consumer information to a remote rebate processing center using a communications network; (d) receiving rebate information from the remote rebate processing center using the communications network, the rebate information comprising a transaction identifier identifying the rebate for the product and the purchase of the product; (e) receiving at least two disbursement options for the user to receive the rebate; (f) receiving a selected one of the disbursement options from the user, wherein the disbursement options comprise a cash rebate or a credit voucher valid for purchases at a limited scope of retail sites, wherein a cash value of the credit voucher is greater than the cash rebate; and (g) outputting a rebate request form comprising the transaction identifier, the transaction identifier for physical delivery to the remote rebate processing center.

Claim 31 of the present application is also a method which includes the steps of (a) receiving purchase information identifying a product bearing a rebate; (b) communicating the purchase information to a remote rebate processing center; (c) receiving rebate information describing the rebate from the remote rebate processing center, the rebate information comprising at least two disbursement option, a first one of the disbursement options having a first cash value to a recipient and a second one of the disbursement options having a second cash value to a recipient, the first cash value different than the second cash value; and (d) displaying the rebate information.

Art Unit: 3622

When examining the correspondence of the features in the two claims one finds that steps (a) and (b) of the '588 application equate to step (a) of the current application; step (c) of the '588 application corresponds to step (b) of the current application; steps (d)-(f) of the '588 application correspond to step (c) of the current application; and step (g) of the '588 application corresponds to step (d) of the current application.

Many of the other dependent claims in the current application have corresponding claims which include the exact same wording in the other application.

### ***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Small (5,791,991) in view of Walker et al (6,330,544).

Claims 1, 11, and 21: Small discloses a method and apparatus for processing rebates, comprising:

a. Displaying rebate information retrieved from a remote rebate processing center including at least two disbursement options of different cash values (col 7, lines 36-43); and

Art Unit: 3622

b. Receiving a selection of the disbursement option (col 7, lines 36-43).

While Small explicitly discloses that the cash value of the two options may differ (col 8, lines 51-54), Official Notice is taken that it is also old and well known within the retail arts to offer incentives whose value varies in accordance with predetermined criteria. Examples of these types of incentive offers are: quantity discounts where the greater number of like items bought, the greater the percentage of discount received; total purchase discounts where the higher the total purchase price, the higher the discount received; and a variety of rebate offers. In further support of this Official Notice, the Examiner is providing an article by Guglielmo from *MacWeek*, October 24, 1989, which shows that customers who buy a Mac computer had two options: a rebate of \$150 - \$300 on other products offered by Apple Computers, or an option to return the hardware (for cash). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to give the consumer in Small options of various values. One would have been motivated to have the credit voucher value larger than a cash rebate in order to entice the consumer to select that offer, hence spending the rebate value back in to the store.

While Small also does not explicitly disclose that the rebate processing center will authorize the rebate by comparing the information received with the rebate requirements, Walker discloses a similar rebate processing method in which the rebate processing center verifies the authenticity and validity of the information and then transmits a rebate authorization (col 9, lines 20-60 and col 18, lines 11-32). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to authenticate the rebate request in Small and

Art Unit: 3622

to communicate the authorization. One would have been motivated to verify the information in order to eliminate fraudulent rebates from being awarded.

Claims 2, 12, 23, 31, and 32: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1 and 11 above. Small further discloses displaying products with rebates (col 7, lines 52-54) and receiving/transmitting consumer information to include purchase information (col 8, lines 20-24).

Claims 3 and 13: Small and Walker disclose a method and apparatus for processing rebates as in Claims 2 and 12 above. Small further discloses searching for the requested product (col 7, lines 52-54). It also would have been obvious to allow a user to enter search criteria when trying to locate a specific product out of the large number of products usually carried by any one merchant. One would have been motivated to utilize a search engine of some sorts in this manner in order to preclude the user for having to manually read through possibly thousands of items in order to identify the desired product.

Claims 4, 14, and 24: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, and 21 above. While Small also discloses that the consumer may receive a credit voucher, it is not explicitly disclosed that the consumer uses the credit voucher to purchase one or more subsequent products. However, Walker discloses using the credit voucher to offset the cost in a subsequent purchase (col 9, lines 20-40 and col 18, lines 11-32). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use the credit voucher issued by Small during a subsequent purchase transaction by the

Art Unit: 3622

consumer. One would have been motivated to use the credit voucher during a subsequent transaction in order to allow the consumer to actually receive the “value” of the rebate while decreasing the store’s outgoing cash flow. The Examiner notes that this is the inherent use of credit vouchers within society.

Claims 5, 15, and 25: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, and 21 above. Walker further discloses displaying the current status of a rebate transaction (col 13, lines 6-13). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to notify the consumer in Small of the current status of the rebate request, such as approved, denied, processing, etc. One would have been motivated to notify the consumer of the status of the rebate in order to provide better customer service and to enable the consumer to provide additional information if needed.

Claims 6, 16, 26, and 34: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, 21, and 31 above. Walker further discloses the consumer using the credit voucher to defray at least part of the total cost of a subsequent purchase (col 9, lines 20-40 and col 18, lines 11-32). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use the credit voucher issued by Small during a subsequent purchase transaction by the consumer. One would have been motivated to use the credit voucher during a subsequent transaction in order to allow the consumer to actually receive the “value” of the rebate while decreasing the store’s outgoing cash flow. The Examiner notes that this is the inherent use of credit vouchers within society.

Art Unit: 3622

Claims 7, 17, 27, and 35: Small and Walker disclose a method and apparatus for processing rebates as in Claims 6, 16, 26, and 34 above. Walker further discloses using other forms of payment, such as cash or credit cards, when the credit voucher does not cover the complete cost of the subsequent purchase transaction (col 9, lines 20-40). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use a credit card in Small to cover any part of the subsequent transaction not covered by the credit voucher. One would have been motivated to use another payment method, such as a credit card, in order to allow the consumer to purchase larger or more numerous items during the subsequent transaction.

Claim 8, 18, 28, and 36: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, 21, and 31 above. Walker further discloses using a browser to link to a site for making a subsequent purchase (Figure 12, item 1212 and col 20, lines 2-5). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to direct the consumer in Small to a site where the credit voucher could be used. One would have been motivated to direct the consumer thereto in order to provide the consumer an easy and quick way to redeem the credit voucher, while at the same time providing the merchant with another sale.

Claims 9, 19, 29, and 37: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, 21, and 31 above, and Small further discloses the consumer having the options of receiving a cash rebate or a credit voucher (col 7, lines 36-43).

Art Unit: 3622

Claims 10, 20, 30, and 38: Small and Walker disclose a method and apparatus for processing rebates as in Claims 1, 11, 21, and 31 above, and Small further discloses that the credit voucher comprises one of a retailer gift certificate, manufacturer credit voucher, or a credit valid for an Internet purchase (col 7, lines 36-43).

Claim 22: Small and Walker disclose an apparatus for processing rebates as in Claim 21 above, and Small further discloses matching the rebate request with the promotion (col 7, lines 56-63 and col 8, lines 20-24).

***Response to Arguments***

7. Applicant's arguments filed August 13, 2003 have been fully considered but they are not persuasive.

A. The Applicant argues against the 35 U.S.C. 101 rejection of Claims 1-20 and 31-38 in the previous office action.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for

Art Unit: 3622

"inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

Art Unit: 3622

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of

Art Unit: 3622

an abstract idea. Indeed, State Street abolished the Freeman-Walter-Abele test used in Toma. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in Toma because the invention in State Street (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the Toma test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, the above claims do not recite any technology or computer implementation as discussed in the rejection in paragraph 3 above.

B. The Applicant argues in reference to the Double Patenting that the two applications contain claims which focus on different and patentably distinct aspects of a common field of endeavor. However, these distinct aspects and how they differ have not been identified or explained by the Applicant, thus no clear line of demarcation between the two sets of claims has been established. As stated in the rejection in paragraph 4 above, the Examiner detects no difference in scope or limitations within these claims, merely slight variations to the semantics and terminology used to describe the same limitations.

C. The Applicant argues in reference to Claims 1-38 that neither of the references, nor the Guglielmo article cited in support of the Official Notice, disclose receiving at least two disbursement options and selecting by the user one of the options. The Examiner notes that Small

Art Unit: 3622

explicitly discloses that the user is given at least two disbursement options (“variety of payment methods”)(col 7, lines 36-43) and selects the desired option (“block 127 is used to indicate the desired method of payment”)(col 8, lines 49-50). Small further discloses that the value to the various payment methods may be varied to encourage the use of a particular payment method, such as giving additional rebates, i.e. greater cash value (col 8, lines 51-54). Guglielmo also discloses giving the customer a choice of two disbursement options which differ in value. In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971). In the rejection of the above claims, the Examiner has shown that the Small reference discloses all of the features including varying the value of the disbursement options. It takes no hindsight to realize that the rebater could set up the varying values in any manner desired: making a cash rebate higher than a credit voucher, an electronic funds transfer higher than a rebate by check, a rebate by check higher than a cash rebate, or keeping all the values the same. There is no novelty in the rebater deciding the desired value of the various rebate disbursement options, it is a decision which must be made whenever a rebate system with more than one option is set up.

Art Unit: 3622

***Conclusion***

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9306. Draft or Informal faxes may be submitted to (703) 872-9327 or directly to the examiner at (703) 746-5544.

Art Unit: 3622

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.

  
JWM  
October 8, 2003

  
James W. Myhre  
Primary Examiner  
Art Unit 3622